## 22nd NAVAJO NATION COUNCIL | Office of the Speaker



## FOR IMMEDIATE RELEASE

November 7, 2013

## **MEDIA CONTACTS**

Jared Touchin | 928.221.9253 Krista Thompson | 928.637.5603 Jolene Holgate | 928.380.4174 nnlb.communications@gmail.com

## Budget and Finance Committee receives report on proposed controlled environment agricultural green house on the Navajo Nation

**WINDOW ROCK** – On Tuesday, the Budget and Finance Committee approved a report regarding a proposed controlled environment agricultural green house that would be located near Winslow on Navajo Nation fee land and will be operated by VFT Global, LLC.

VFT Global specializes in controlled environment agriculture using hydroponics as a form of growing produce. CEA controls all elements in planting such as the water temperature, air, and nutrients in the water that the plants are grown in.

"This type of growing is a very clean and natural process that does not require soil, and uses 90 percent less water than regular agriculture," said VFT Global Chief Operating Officer RJ Brot. "All produce is considered beyond organic, GMO-free, as well as free of pesticides and herbicides."

VFT Global Sr. Vice President and Chief Financial Officer Joshua Abramson stated that the project would cost approximately \$20 million. The Navajo Nation is asked to provide \$15 million in capital investment into the project and to authorize a land lease to VFT Global, who will also invest \$5 million or the remainder of the construction costs of the facility.

BFC members expressed their support for the initiative, while questioning the cost of construction, ownership, and operations.

"Why Winslow? Why not truly invest in within Navajo [land], rather than cater to the outskirt border towns and cities? There are places in Navajo land such as Wheatfields or Crystal that are prime locations and have sufficient water sources," said BFC member Council Delegate Nelson BeGaye (Lukachukai, Rock Point, Round Rock, Tsaile/Wheatfields, Tse Ch'izhi).

In response to Delegate BeGaye's concerns, Brot explained that the Winslow tract had been surveyed and would meet the environmental and transporting needs of the CEA operation.

BFC member Council Delegate Mel Begay (Coyote Canyon, Mexican Springs, Naschitti, Tohatchi, Bahastl'a'a) said he supports the initiative, and voiced his concern regarding the proposed \$15 million investment by the Nation.

"We are very appreciative of VFT Global having interest in our land and resources, but does the Department of Economic Development or the Navajo Nation President's Office have an alternative plan for other funding options?" asked Delegate Begay.

Brot and Abramson said they want to ensure the relationship between the Navajo Nation and VFT Global is transparent, and assured the committee they would receive a very positive return on their investment, as well as donating a percentage of their produce to the Navajo school systems annually.

According to the report, the Navajo Nation's investment would allow for 99 percent ownership over the facility, and one percent ownership by VFT Global. However, VFT Global would own and control operations of the produce plant, and the Nation would receive a royalty of \$.01 per head of lettuce, which would increase every year by two percent.

"We appreciate the presentation and the global picture of what this initiative can do for the Navajo Nation, and I think the next stage is to present this to the Nation's investment committee for further assessment of this project," said BFC vice chair Council Delegate Jonathan Nez (Shonto, Navajo Mountain, Oljato, Ts'ah Bii Kin).

Delegate Nez urged the committee to keep the due diligence process in mind and to research the background of VFT Global's proposal, while emphasizing the importance of protecting the Navajo Nation and its capital, as well as to develop recommendations and potential alternative funding options.

At the conclusion of the BFC meeting, the committee voted 4-0 to accept the report.

###

For news on the latest legislative branch activities, please visit www.navajonationcouncil.org